

Exhibit No. 12

Date 3-17-09

Bill No. SB 183

Senate Bill 183
March 17, 2009
Presented by Chris Smith
Senate Finance and Claims Committee

Mr. Chairman and committee members, for the record, I am Chris Smith, Deputy Director of Montana Department of Fish, Wildlife & Parks (FWP).

The fiscal impacts of SB 183 would be significant and adverse. Section 6 of the bill voids any cooperative agreements between FWP and the federal government related to wolves. FWP currently has two such agreements.

The first agreement, with the U.S. Fish and Wildlife Service (USFWS), gives FWP management authority over wolves in Montana while they remain listed under the Endangered Species Act. The agreement provides federal funding to cover the costs of our wolf management specialists in the field, monitoring wolf numbers and distribution, interacting on a daily basis with landowners, providing direction to USDA Wildlife Services personnel on wolf control actions to minimize depredation and so on. This work is fully funded by the USFWS. If SB 183 becomes law, FWP would be required to return over \$823,600 of federal funding to the USFWS.

The second agreement is with USDA Wildlife Services (WS). Under that agreement, FWP provides WS \$110,000 per year from the General License account to support WS staff and operations assisting FWP by investigating suspected wolf depredation on livestock and removing wolves at FWP direction. Given the importance of the work done by WS, the Department of Livestock would incur these costs, and has proposed funding from the General Fund.

SB 183 also voids Montana's current wolf management plan and provides statutory direction beyond that already codified in 87-1-217. FWP would need to develop a new management plan consistent with the direction in SB 183 at an estimated cost of over \$76,000. An additional FTE would be needed to complete this planning process, as all current staff assigned to wolf management would remain fully occupied with on-the-ground activities.

The day-to-day management required to implement SB 183 would require 9 FTE's and operational funding totaling more than \$813,000 per year from FWP's General License account. This would greatly accelerate the "draw-down" of funds from that account and force FWP to cut other programs funded by the account or come to the legislature sooner, with a larger, license fee increase.

The fiscal note also assumes that the Legislative Auditor will determine that the current methodologies used by FWP meet the standard specified in SB 183. If that proves not to be the case, FWP's expenditures would be even greater.

SB 183 would permanently preclude delisting of wolves in Montana, so the impacts to state revenue and expenditures outlined on the fiscal note would continue indefinitely.

It is important to note that many of the findings, assertions and provisions in SB 183 are inaccurate, unfounded or meaningless. Thus, the "bottom line" is that approval of SB 183 will result in greatly expanded costs to the state, and significant reduction in FWP's ability to work with producers to protect their livestock, with no possible end in sight. The bill will not give the state greater management control or flexibility; in fact the opposite is true. SB 183 means the state will pay much more and "suffer more" if this bill becomes law.

SB 183 reflects both bad fiscal policy and bad legislative policy. FWP urges the committee to table this bill.